

AN ACT

ENTITLED, An Act to revise certain provisions regarding consumer installment sales contracts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 54-3A-1 be amended to read as follows:

54-3A-1. Terms used in this chapter mean:

- (1) "Cash sale price," the price for which the person making a sale pursuant to an installment sales contract would have sold the goods or services if the sale had been for cash. The cash sale price may include any taxes or license, title, and registration fees actually paid and the cash price of any accessories or services related to the sale, such as charges for delivery, installation, alterations, modifications, improvements, and any other similar charges agreed upon between the parties. The cash price of a motor vehicle may also include a documentary fee or document administration fee for services actually rendered to, for, or on behalf of, the retail buyer, in preparing, handling, and processing documents relating to the motor vehicle and the closing of the retail sale;
- (2) "Consumer," a natural person who seeks or acquires, or is offered property, services, or credit for personal, family, household, or agricultural purposes;
- (3) "Consumer transaction," a transaction involving the purchase or sale of goods or services for personal, family, household, or agricultural use from one, who in the ordinary course of business sells goods or services. The parties to a transaction, which involves the purchase or sale of goods or services but which is not a consumer transaction, may agree to be governed by all of the provisions of this chapter with respect to the transaction, and in such event the transaction is deemed to be a consumer transaction for all purposes of this chapter;
- (4) "Finance charge," however denominated, the amount which is paid or payable for the privilege of paying for goods or services in one or more installments. It does not include

a delinquency charge as permitted in §§ 54-3A-11 and 54-3A-12, additional charges as permitted in § 54-3A-5, or any charge imposed by a creditor upon another person for purchasing or accepting an obligation of a consumer unless the consumer is required to pay any part of that charge in cash, as an addition to the obligation, or as a deduction from the proceeds of the obligation;

- (5) "Goods," tangible personal chattels, whether or not in existence at the time the transaction is entered into, and including things which, at the time of sale or subsequently, are to be so affixed to real property as to become a part thereof, whether or not severable therefrom, but excluding money, chattel paper, documents of title, and other instruments;
- (6) "Installment sales contract," an arrangement other than a revolving charge account, entered into in this state evidencing any consumer transaction in which a consumer purchases goods or services from a creditor, under which arrangement a finance charge may be imposed and the consumer agrees to pay for the goods or services in one or more installments;
- (7) "Official fees," the fees prescribed by law for filing, recording, or otherwise perfecting a security interest or the premium payable for any insurance in lieu of perfecting any security interest if the premium does not exceed the fees otherwise prescribed by law;
- (8) "Services" includes:
 - (a) Work, labor, and other personal services;
 - (b) Privileges and contract rights with respect to accommodations or facilities, including hotels and restaurants, transportation, education, entertainment, recreation, physical culture, hospital accommodations, funerals, and cemetery associations;
 - (c) Diagnostic work, maintenance, repair, or improvement, other than as part of the manufacture or original construction, of properties; and

- (d) Insurance;
- (9) "Transaction," all of the agreements made between two or more persons to carry out an exchange of value, including the entire process of soliciting, negotiating, making, performing, and enforcing such agreements, whether or not any agreement is enforceable by action.

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I certify that the attached Act
originated in the

SENATE as Bill No. 171

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 171

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Ass. Secretary of State